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PART--I-- Orders and Notifications by the Government of Tripura, The High Court, Government Treasury etc.

GOVERNMENT OF TRIPURA
FINANCE DEPARTMENT

No.F.1(79)/FIN(B)/2019 Dated, Agartala, the 04th June. 2019.

NOTIFICATION

In exercise of the powers conferred by section 3 of the Tripura Infrastructure and Investment Fund Board Act, 2018, the Government of Tripura hereby frames the following Scheme for the establishment of a fund for investments in infrastructure projects in the State and for matters concerned therewith, namely:-

THE TRIPURA INFRASTRUCTURE INVESTMENT FUND SCHEME

1. **Short title and commencement –**

(1) This Scheme may be called the "Tripura Infrastructure Investment Fund Scheme, 2019";

(2) It shall come into force at once.

2. **Definitions** – In this Scheme, unless the context otherwise requires –

(a) "Act" means Tripura Infrastructure and Investment Fund Board Act, 2018;

(b) "C & AG" means Comptroller and Auditor General of India;

(c) "Eligible Agency" means any undertaking/agency as per section 3 of the Scheme;

(d) "Infrastructure Projects" shall include projects in the sectors specified in the Second Schedule and multipurpose projects comprising of one or more sectors specified therein;

(e) "Undertakings" means public sector undertakings or other undertakings specified in the Tripura Infrastructure and Investment Fund Board Act, 2018;

(f) All other words and expression used herein but not defined in this Scheme and defined in the Act shall have the meanings respectively assigned to them in the Act.

3. **Eligibility of Undertakings for assistance** –Subject to provision of the Act any government department of state government, undertakings including public agency, Special Purpose Vehicle, Joint Venture Company and any other government entity administered or aided by state government shall be eligible for seeking assistance from the Fund.

4. **Establishment of the Fund** – (1) There shall be a Fund called Tripura Infrastructure Investment Fund. The corpus of the Fund shall comprise of net total of amounts specified in sub-section (b) of section 3 of the Act.

(2) The Fund shall be deposited in a bank account opened for this purpose in a Nationalised Bank.

(3) The Board may choose one or more of the legally approved financial instruments available to mobilise such capital.

(4) Notwithstanding anything contained in sub-section (2), the Board may deposit part of full fund in a public account for utilisation at a later stage.

5. **Financial assistance and the mode of assistance** – (1) Financial assistance from the Fund may be given in the form of grants, equity or loans for investment in infrastructure projects in the state.

(2) The exact composition of lending portfolio shall be worked out by the Board on case by case basis.

(3) Financial assistance in case of loans from the Fund shall be in the form of either long-term loans or short-term loans for a period not exceeding one year.

6. **Approval and sanction procedure** – (1) Application for availing financial assistance shall be submitted to the Chief Executive Officer appointed as per the Act.

(2) The Chief Executive Officer may get the proposal appraised technically and financially by mechanism as decided by the Board.

(3) After technical examination and financial appraisal, the Chief Executive Officer shall sanction the proposal or place the proposal before the Executive Committee or Board for its consideration and approval as per delegation of power decided by the Board.

(4) The Chief Executive Officer may prescribe with the approval of the Board general guidelines for availing assistance from the Fund. These may include pre-feasibility study, project concept note, identification of implementing agency, in principle approval of administrative departments, preparation of detailed project report, assessment of project, approval of project, tender/contract and concession agreement and review of implementation.

(5) Before sanctioning any financial assistance, the sanctioning authority shall satisfy itself that the project has the benefits that are claimed in the detailed project report.

(6) Any project which does not qualify for assistance under this Scheme, shall not be sanctioned any financial assistance from the Fund.

7. **Basic Documents to be submitted** – The basic documents to be submitted along with the application for financial assistance may be prescribed by the Chief Executive Officer with the approval of the Board.

8. **Disbursement Procedure** – (1) For projects where financial assistance is sanctioned by the Board, the sanctioned amount may be disbursed as per phasing decided by the sanctioning authority.

(2) In case mentioned in sub-section (1) above, with reference to the project implementation schedule, the Chief Executive Officer shall verify utilisation and the balance amount may be disbursed in instalments, subsequently, subject to satisfactory utilisation.

(3) The Chief Executive Officer shall disburse the amounts from the Fund for those proposals approved by the Approving Authority as per delegation of power.

9. **Security for assistance**– The Board or Executive Committee may decide Security, if any required against any assistance sanctioned in the form of loan in a particular case.

10. **Interest and Penal charges**- (1) Annual interest rate on loans extended from fund shall not exceed the cost of borrowings by more than 2% and the interest shall be paid by the eligible agencies as per section 3 of the scheme.

(2) Any default in payment of interest by the eligible agencies shall carry penal charge of 2.75% per annum on the defaulted amount over and above the lending rate of interest.

(3) In case of any dispute on interest payments, penal interest etc. the matter shall be referred to the Government and the decision of the Government shall be final.

11. **Repayment of assistance**– (1) In case of loans, the eligible agencies assisted by the Board shall repay the principal amount borrowed in such time period with a moratorium period as decided by the Board.

(2) For projects determined by the Board as revenue generating, the Board shall execute a repayment agreement with the eligible agency concerned, laying down the terms and conditions for repaying financial assistance. The repayment agreement shall also specify the mode and manner of repayment.

12. **Introduction of Implementation and Performance Contract System** – (1) All eligible agencies assisted by the Board will have to sign an Implementation and Performance Contract with the Board after its introduction by the Board.

(2) The Implementation and Performance Contract shall stipulate the responsibility of the eligible agencies and its functionaries, and shall provide for nature of the liability of each of them in case of non-compliance with the terms of the

Implementation and Performance Contract. Payment of interest, repayment of principal by the eligible agencies shall be given due weightage in the Implementation and Performance Contract.

(3) The Implementation and Performance Contract shall also lay down project schedules, activity milestones, and the specific targets of financial and physical achievement in the project to be monitored under this scheme.

(4) Any default in repayment or failure to comply with the conditionality of the financial assistance or the Implementation and Performance Contract may immediately be brought to the notice of Government and the Chief Executive of the eligible agencies may be held personally responsible for the default through relevant clauses in the Performance Contract.

13. **Monitoring System** – (1) The utilisation of funds provided by the Board and interest payments or principal repayments shall be monitored by the Executive Committee.

(2) The CEO shall place the reports of the monitoring system before the Board.

14. **Investment of Surplus Funds** – (1) The Board shall be authorised to invest surplus or unutilised funds after identifying suitable instruments.

(2) An Investment Committee may be formed for managing the investment of surplus or unutilised funds available with the Board.

(3) The Investment Committee shall lay down Investment Management Policy specifying terms and conditions for investing surplus or unutilised funds available with the Board.

(4) Investment Management Policy shall be placed before the Board for approval.

15. **Meeting of the Board** – (1) The Board shall meet at least once a year or/and as often as desired by the Chairperson of the Board.

(2) Intimation for the meeting alongwith the agenda shall be sent to all the members at least seven days prior to the day of meeting:

Provided an urgent meeting can be called at short notice with the concurrence of half of the members.

(3) Members of the Board may attend the meeting through video conference as provided in sub-section (f) of section 7 of the Act.

(4) Minutes of the meeting will be prepared by the CEO and approved by the Chairman and confirmed in the next meeting.

16. **Fees and Allowances** – (1) Each independent member of the Board shall be paid a honorarium of Rs.5,000/- or as revised by the Government from time to time for attending the meetings of the Board.

(2) The members referred to in sub-section (1) shall be eligible for travel, lodging and daily allowances as decided by the Government.

17. **Manner in which the accounts shall be kept by the Tripura Infrastructure Investment Fund Board, Procedure for defraying the expenditure incurred for administration of the Fund, the audit of accounts and the submission of reports to the Government** – (1) Funds mobilised by the Board shall be deposited in an account as per section 4 of the Scheme.

(2) The Board shall maintain proper accounts and other relevant records in such manner as the Government may direct.

(3) The incidental expenses and the expenditure on administrative matters of the Board shall be met from the Fund. In the event of any shortfall Government shall make necessary budgetary provision.

(4) The accounts of the Board shall be audited by a Chartered Accountant / Auditor appointed by the Board and the accounts as audited by the Chartered Accountant/Auditor together with the audit report thereon shall be forwarded annually to the Principal Secretary to the Government, Finance Department, Government of Tripura and the C & AG for their comments. C&AG may undertake supplementary Audit of the accounts of the Board.

(5) The audited accounts together with the comments of the Principal Secretary to the Government, Finance Department and C & AG shall be considered by Executive Committee and forwarded to the Finance Department of Government for placing it before the Legislature along with the annual report.

(6) The annual report of the Board shall be prepared under the direction of the Board and after approval by the Board, a report shall be submitted to the Government before the end of the July, every year.

(7) The Government shall, as soon as the annual report is received, place it together with the audited statement of accounts, on the table of the Legislature.

18. **Website** – A website shall be created to display relevant information about the activities of the Board.

19. Interpretation- If any Question arises relating to interpretation of any provision of this scheme, it shall be referred to the Finance Department of the Government of Tripura for decision.

By order of the Governor,

(Manoj Kumar)
Principal Secretary to the
Government of Tripura
Finance Department